NOTICE OF ANNUAL GENERAL MEETING

ARCHITECTURAL ASSOCIATION, INC.

The Annual General Meeting of the Registered Members of the Architectural Association, Inc.
DATE: Monday, 21 January 2013
TIME: 6:30 pm
LOCATION: The Architectural Association (34-36 Bedford Square, London WC1)

CONTENTS:

• Provisional Agenda
• Specific and General Proposals
• Proxies
• Minutes of the previous Annual General Meeting (26 March 2012)

If you have any queries, please contact:

Office of the Company Secretary
The Architectural Association, Inc.
36 Bedford Square
London WC1B 3ES
United Kingdom

Tel: +44 (0)207 887 4018
Email: secretary@aaschool.ac.uk

By order of the Board

Kathleen H. Formosa
Company Secretary
ANNUAL GENERAL MEETING 2012 – PROVISIONAL AGENDA

1. Welcome and Apologies

2. Minutes of the previous Annual General Meeting (26 March 2012)

3. Trustees’/Directors’ Report and Financial Statements for the year ending on 31 July 2012

4. Letter of Representation & Management Letter

5. Proposals and Amendments

6. Appointment of the Auditors

7. Operational Overview and Announcements

8. Date of the next Annual General Meeting

SPECIFIC PROPOSALS

None

GENERAL PROPOSALS

1) To be proposed as an ordinary resolution: The Architectural Association is required to appoint auditors in accordance with the Companies Act 2006. Following endorsement by the Finance Committee, the Directors/Trustees propose the appointment of Buzzacott LLP as the auditors for FY2012/2013.

PROXIES

A member entitled to attend and vote at the meeting convened by this notice is entitled to appoint a proxy to exercise his/her rights to attend, speak and vote at the meeting. In accordance with Article 31 of the Architectural Association’s Articles of Association, no person shall be appointed a proxy except a Registered Member. The instrument appointing a proxy shall be deposited at the registered office of the Association not less than forty-eight hours before the time for holding the meeting or adjourned meeting, as the case may be, at which the person named in such instrument is proposed to vote. The appointment of a proxy does not preclude a member from subsequently attending and voting at the meeting in person if s/he so wishes.

12 December 2012
NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Appointment of proxies

1. As a registered member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. In accordance with Article 31 of the Architectural Association’s Articles of Association, no person shall be appointed a proxy except a Registered Member.

2. A proxy must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.

3. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as s/he thinks fit in relation to any other matter that is put before the Meeting.

Appointment of proxy using hard copy proxy form

4. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold his/her vote.

To appoint a proxy using the proxy form, the form must be:
- completed and signed;
- sent or delivered to the Architectural Association, Inc. at 36 Bedford Square, London, WC1B 3ES, United Kingdom; and
- received by the Company no later than 5:00 p.m. on Thursday, 17 January 2013.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Electronic appointment of proxies

5. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by e-mail to the Company Secretary at secretary@aaschool.ac.uk. For an electronic proxy appointment to be valid, the Company Secretary must receive your appointment no later than 5:00 p.m. on Thursday, 17 January 2013.

Changing proxy instructions

6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Office of the Company Secretary on +44 (0)20 7887 4047 / 4018.
If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

**Termination of proxy appointments**

7. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

- By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Architectural Association, Inc., 36 Bedford Square, London, WC1B 3ES, United Kingdom. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- By sending an e-mail to the Company Secretary at secretary@aaschool.ac.uk.

In either case, the Company must receive the revocation notice no later than 5:00 p.m. on Thursday, 17 January 2013.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

**Communication**

8. Except as provided above, members who have general queries about the Meeting should contact the Office of the Company Secretary by e-mail at secretary@aaschool.ac.uk, or by telephone on +44 (0)20 7887 4047 / 4018.
Architectural Association, Inc.
Annual General Meeting
Proxy Form

Name and Address of Registered Member:

Before completing this form, please read the explanatory notes

I, being a member of the Company appoint the Chairman of the meeting or (see note 3)

as my proxy to attend, speak and vote on my behalf at the Annual General Meeting of the Company to be held on Monday, 21 January 2013 at 6:30 p.m. and at any adjournment of the meeting.

I direct my proxy to vote on the following resolutions as I have indicated by marking the appropriate box with an 'X'. If no indication is given, my proxy will vote or abstain from voting at his or her discretion and I authorise my proxy to vote (or abstain from voting) as s/he thinks fit in relation to any other matter that is put before the meeting.

<table>
<thead>
<tr>
<th>ORDINARY RESOLUTION</th>
<th>For</th>
<th>Against</th>
</tr>
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<tbody>
<tr>
<td>1. The Architectural Association is required to appoint auditors in accordance with the Companies Act 2006. Following endorsement by the Finance Committee, the Directors/Trustees propose that the appointment of Buzzacott LLP as the auditors for FY2012/2013.</td>
<td></td>
<td></td>
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</tbody>
</table>

Signature

Date
Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.

2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

3. In accordance with Article 31 of the Architectural Association’s Articles of Association, no person shall be appointed a proxy except a Registered Member. To appoint as your proxy a person other than the Chairman of the meeting, insert his/her full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that s/he attends the meeting and is aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give him/her the relevant instructions directly.

4. To direct your proxy how to vote on the resolutions mark the appropriate box with an "X". If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as s/he thinks fit in relation to any other matter that is put before the meeting.

5. To appoint a proxy using this form, the form must be:
   • Completed and signed;
   • Sent or delivered to the Company at the Architectural Association, Inc., 36 Bedford Square, London, WC1B 3ES, United Kingdom; and
   • Received by the Company no later than 5:00 p.m. on Thursday, 17 January 2013.

6. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

7. As an alternative to completing this hard-copy proxy form, you can appoint a proxy electronically by notification to the Company Secretary at secretary@aaschool.ac.uk. For an electronic proxy appointment to be valid, the Company Secretary must receive your appointment no later than 5:00 p.m. on Thursday, 17 January 2013.

8. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

9. For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting.
MINUTES OF THE ANNUAL GENERAL MEETING OF THE ARCHITECTURAL ASSOCIATION (INC)

Date / Time: Monday, 26 March 2012 at 6:30 p.m.
Location: The Architectural Association (32 Bedford Square, WC1)

In Attendance: Keith Priest (President, Chair)
                Daniel Aram
                Frank Duffy
                David Jenkins (Hon. VP)
                Sophie Le Bourva
                Alex Lifschutz (Past President)
                Aram Mooradian
                Sadie Morgan (Hon. Treasurer)
                Diana Pertont
                Christina Smith (Hon. VP)
                Jerome Tsui

With: Sarah Durrant (Saffery Champness)
      Kathleen Formosa (Company Secretary)
      Geoff Parrett (Head of Finance)
      Brett Steele (Director)
      Cara Turstrong (Saffery Champness)

And: Marilyn Dyer (Registry)
     Julia Frazer (Computing)
     Issy Goldberg (member)
     Roberta Jenkins (Director’s Office)
     Edouard le Maistre (member)
     Christopher Libby (member)
     Alex Lorente (Membership)
     Esther McLaughlin (Development)
     Anita Pfauntsch (Facilities)
     Cristian Sanchez-Gonzalez (Secretary’s Office)
     Hinda Sklar (Librarian)
     Nicola Quinn (Development)

1. INTRODUCTION
1.1 The President called the meeting to order.

1.2 Members of Council unable to attend the meeting were:
      John Andrews (with apologies)
      Mike Davies (with apologies)
      Merlin Eayrs (with apologies)
      Julia King (with apologies)
      Ken Powell (with apologies)
      Jane Wernick (with apologies)
      Julyan Wickham (with apologies)
2. DECLARATIONS OF INTEREST
2.1 Members of Council holding directorships or trusteeships of the AA’s other concerns were stated for the record.
2.1.1 Sadie Morgan and David Jenkins were confirmed as directors of AA Publications, Ltd.
2.1.2 Sadie Morgan and Alex Lifschutz were confirmed as trustees of the AA’s final salary pension scheme.

2.2. It was stated that there were no other interests needing declaration in connection with items to be addressed as a part of the agenda.

3. MINUTES OF THE PREVIOUS AGM
3.1 The minutes of the Annual General Meeting held of 6 December 2010 were reviewed.
3.1.1 The minutes of the Annual General Meeting held on 6 December 2010 were formally approved.

3.2 As a matter arising from the minutes of the previous Annual General Meeting, a question was raised from the floor regarding items 4.6.6, 4.7.3 and 4.8.3.
3.2.1 A response to the question was stated as follows:
   • With regard to item 4.6.6, it was stated that comparison figures for tuition fees have been discussed as part of the Director’s tuition fee proposal approved by Council in January 2011.
   • With regard to item 4.7.3, it was stated that the relationship between the AA, Inc. and the AA Foundation is a matter currently in discussion.
   • With regard to item 4.8.3, it was stated that a policy concerning the determination of fee levels has been discussed and agreed in principle and in line with established practice. A formal policy has not yet been written.

4. TRUSTEES/DIRECTORS REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 JULY 2011
4.1 The Hon. Treasurer presented highlights of the 2010/2011 accounts, as follows:
   • The AA has realized an increase of c. £6 million in assets as a result of revaluation of its estate in London and at Hooke Park.
   • The reserves policy has been amended to reflect Council’s agreement to spend the reserves on building improvements.
   • The Trustees/Directors report shows positive activity and initiatives during the year.
   • The Statement of Financial Activity (SOFA) shows that the AA’s bottom line is positive, with the AA’s total funds standing at £9.8 million.

4.1.1 The SOFA was reviewed in detail, and it was noted that the planned deficit as agreed by Council for the 2010/11 financial year was £650K.
4.1.2 An additional £800K in leases of equipment contributed further to the deficit.

4.2 Cara Turington reported that the auditors have been more involved in the production of the AA’s accounts than in years previous as a result of turnover on the Accounts Office staff.
4.2.1 The auditors confirmed that the AA’s net current assets even after a difficult year is positive.
4.2.2 It was confirmed that the AA’s current assets exceed its current liabilities.

4.3 A motion was made and seconded that the Trustees/Directors report and financial statements for the year ending 31 July 2011 should be approved and signed.

4.3.1 A vote was taken, and the motion agreed unanimously.

4.4 A complaint was taken from the floor that the information as presented by the Council at this Annual General Meeting is not so clearly presented in the trustees/directors’ report as written.

4.4.1 The auditor confirmed that the trustees/directors report as presented is compliant with Companies House requirements.

4.4.2 Following discussion, amendments to minor points of wording in the trustees/directors report were agreed in line with statements made by the Hon. Treasurer and auditor at this meeting.

4.4.3 It was agreed that as these amendments did not constitute material changes to the trustees/directors report that the agreed approval and signature of the accounts would stand.

4.5 Council expressed its thanks to the Head of Finance and the audit team at Saffery Champness for their good work on the production of the end of year accounts.

5. LETTER OF REPRESENTATION

5.1 The Hon. Treasurer reported that the Finance Committee has reviewed the Letter of Representation and that it has been signed.

5.1.1 The auditor reported her acceptance of the letter, and confirmed its purpose.

6. MANAGEMENT LETTER

6.1 The management letter was reviewed.

6.1.1 It was confirmed that the letter refers to practices and staff in place during the previous financial year.

6.2 Cara Turington reviewed the auditors’ recommendations.

6.2.1 The auditor’s independence was confirmed.

6.2.2 It was stated that although Saffery Champness has provided accountancy staff to the AA during the year, these staff have reported to the AA’s management and not to the audit team.

6.2.3 It was stated that small errors with regard to materiality were found during the audit and that these have been adjusted in the accounts.

6.3 The Head of Finance reviewed the changes made in staffing, training and procedures within the Accounts Office team in response to specific issues identified by the auditors in the management letter.

6.3.1 Council discussed specific operational issues within the Accounts Office in connection with issues identified in the management letter.

6.3.2 The Hon. Treasurer stated her confidence in the Head of Finance’s leadership of the Accounts Office team.

6.4 The President stated, and Council agreed, that the Hon. Treasurer should be commended for her oversight of the AA’s finances during a particularly challenging year.

6.5 Cara Turington and Sarah Durrant were excused from the meeting.
7. PROPOSALS AND AMENDMENTS

7.1 It was proposed as an ordinary resolution that the appointment of auditors in accordance with the Companies Act 2006 shall be delegated to the Finance Committee of the Architectural Association, and that a recommendation should be delivered to the Council for its approval within 28 days regarding the appointment of auditors.

7.1.1 The President stated that the appointment of auditors is normally a routine item, however given the extraordinary circumstances currently in play, it is felt that the appointment of auditors should be carefully reviewed.

7.1.2 It was discussed and agreed that delivery of a recommendation to Council within the 28-day timeframe proposed is impractical given the seriousness of the task and the AA’s two-week closure period in April. A view was expressed that Finance Committee would be unable to complete a thorough review of options within this timeframe.

7.1.3 The details of why and how an appointment of auditors should be carefully considered were discussed with comments taken from members present on the floor.

7.1.4 It was discussed and agreed that Finance Committee should present its recommendation of the appointment of auditors at the next Ordinary General Meeting scheduled for 14 May 2012.

7.1.5 A motion was made and seconded that the proposed ordinary resolution should be brought to vote with the provision that a recommendation of auditors’ appointment should be brought to Council at the meeting scheduled for 14 May 2012.

7.1.6 The proposed ordinary resolution was unanimously agreed.

7.2 It was stated that the AA should commit to the good practice of reviewing the appointment of its auditors on a tri-annual or quint-annual basis.

7.3 The Secretary proposed that the membership of the following three nominees to the Council ballot should be approved, as follows:
   Joanna Chambers
   Hugh Pearman
   Paul Warner (lapsed 2004)

7.3.1 The memberships of the three nominees were unanimously agreed.

8. DATE OF THE NEXT ANNUAL GENERAL MEETING

8.1 It was proposed and agreed that the date of the next Annual General Meeting would be Monday, 21 January 2013.

8.2 The business of the meeting concluded at 8:15 p.m.